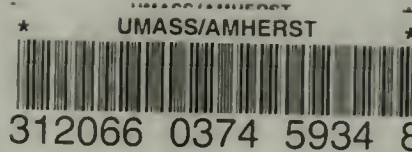


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MICHAEL S. DUKAKIS
GOVERNOR



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ANALYSIS OF THE COMMONWEALTH'S PUBLIC SECTOR WORKFORCE

APRIL 5, 1990

PETER W. AGNES, JR.
CHIEF OF OPERATIONS

I. INTRODUCTION

(A) Separating Fact From Fiction. The Commonwealth's workforce has been steadily declining for several years.[1] The Executive Branch is responsible for the vast majority of the decreases. There are 30 agencies and departments of state government which have undergone a reduction in the workforce of at least 20% since July 1, 1988.[2] Nine of the twelve largest state government employers have reduced their workforce by an average of 11% since July 1, 1988. [3] In the case

[1] The data about the state's workforce contained in this report, unless otherwise specifically indicated, is based on official reports from A&F, derived from the MPRS computerized system. Data for 1983 (prior to the existence of the current automated system) is derived from FY'83 spending plans. References to positions, unless otherwise specifically noted, are to Full Time Equivalents (FTEs), both regular and Excess Quota (EQ), funded by the annual operating budget and retained revenue accounts. FY90 numbers are for the week of March 12, 1990. Fiscal data is taken from House One and individual agencies. Workload information has been provided by individual agencies.

[2] These departments and agencies, which include the Governor's Office and five of the ten cabinet offices, are as follows: the Executive Office of A&F (-66%), the Department of Energy (-55%), Mass. Commission Against Discrimination (-49%), the Executive Office of Human Services (-42%), the Massachusetts Aeronautics Commission (-40%), the Teacher's Retirement Board (-36%), the Department of Personnel Administration (-35%), Division of Administrative Law Appeals (-31%), the Governor's Office (-29%), the Group Insurance Commission (-29%), Motor Vehicle Division of DPU (-29%), the Bureau of State Buildings (-28%), the Alcoholic Beverage Control Commission (-28%), the Office of Management Information Systems (-27%), the Military Division (-27%), the Executive Office of Economic Affairs (-27%), the State Library Commissioners (-26%), the Feingold Library (-26%), the Executive Office of Transportation and Construction (-25%), the Cable Television Commission (-22%), the Executive Office of Elder Affairs (-22%), the Massachusetts Commission for the Blind (-23%), the Division of Capital Planning and Operations (-22%), the Bureau of Library Commissioners (-21%), the Office of Employee Relations (-21%), the Civil Service Commission (-20%), the Office of Handicapped Affairs (-20%), the Executive Office of Communities and Development (-20%), the Commission for the Deaf and Hard of Hearing (-20%), the Veteran's Department (-20%).

[3] The Metropolitan District Commission (-11%); the Department of Public Welfare (-14%); the Department of Public Health (-13.5%); the
[con't next page]

of six of these twelve large employers in state government, their workforce today is actually below their March, 1983 level.[4] In one case, the Department of Public Works, the agency's staffing level is at its lowest point since 1971.

It is important to note at the outset that state managers have experienced a reduction in force over the past two years that exceeds the reduction in the total state workforce. As of March 26, 1990, there were 3,280 classified, budgetary-funded managers under the control of the Executive Branch, (not including Higher Education), a reduction of approximately 8% since July 1, 1988 compared to a reduction of 6.8% of the total workforce.[5]

A remarkable fact that has been overlooked in analyses of this subject over the past nine months is that while state services have

[3-con't] Department of Social Services (-9%); the Department of Mental Health (-6.6%); the Department of Public Works (-13.2%); the Department of Public Safety (-11.4%); the Registry of Motor Vehicles (-19.4%); and Higher Education (-6.8%).

[4] The Registry of Motor Vehicles (-8% below 1983); the Department of Public Health (-11% below 1983); the Department of Public Works (-8.9% below 1983); the Metropolitan District Commission (-3.5% below 1983), the Department of Social Services (-2% below 1983); and the Department of Public Welfare (-.4% below 1983).

[5] As of March 26, 1990, there are approximately 3,807 managers within the state's classified system in all funding sources (operating, capital, federal and trust). The distribution of managers by salary reveals that 42% of state managers earn less than \$40,000/year, and only 5% (including Cabinet and agency heads) make salaries greater than \$60,000/year. A 1987 survey showed that 80% of state managers hold a bachelor's degree, and 50% hold at least a master's degree.

expanded during the past seven years to meet pressing demands, the state workforce has experienced only modest growth. For example, consider some of the developments over the past seven years which have served to increase the demands upon state government: (1) the 62% increase in the state prison population (from 5,400 to 8,730), which today has the highest percentage of violent and substance-abusing inmates in its history; (2) a 129% increase in the number of reported cases of physical and sexual abuse and neglect of children (36,258 to 83,000), (3) a 22% increase in the number of persons in placements furnished by the Department of Social Services, (4) an increase of 79% in the number of homes licensed by the Office for Children (6,400 to 11,477), (5) an increase from 49 to 2,800 in the number of reported cases of AIDS, (6) the identification of 3,000 new hazardous waste sites, (7) the state's role in overseeing the hazardous waste and solid waste streams, and low level nuclear waste disposal, (8) a 35% increase in the number of arrests by the state's various policing agencies (13,216 in 1983 to 17,791 in 1988 among the State Police, the MDC Police, and the MBTA Police), and (9) the elimination of long waiting lines at the Registry of Motor Vehicles which today processes 13% more licenses, 9% more vehicle registrations, and 469% more license suspensions and revocations than seven years ago, along with the growing challenges posed by homelessness, and an increasing population of elders and persons with disabilities who are in need of services. To meet these service demands, the Commonwealth's Executive Branch workforce increased by 4.6% since 1983.

For the past 3 years, the Executive Office of Administration and Finance has produced detailed quarterly reports about the number of state employees in each and every department of government and on each and every type of payroll, including both state and federal funds, and submitted them to the House and Senate Committees On Ways and Means. These reports have been prepared on a weekly basis since November, 1988. The reports are based upon data generated by a centralized and computerized personnel system which covers most of the Executive Branch, and upon several other systems under the control of Higher Education, the legislature, the judiciary, and constitutional officers, from which data is collected by the Executive Office of Administration and Finance.

Recently, computerized lists of positions, including the names of employees on the payroll in 1988 and 1990, identifying codes and salaries have been published to further support the facts contained in a variety of statistical reports which have been produced by the Executive Office of Administration and Finance. Despite the reams of data which have been produced, the accuracy of which has never been impeached, much of what has been written about the subject of the state's workforce in recent months has been inaccurate or incomplete. For example, on February 26, 1990, following the release of a special, detailed report by the Secretary of Administration and Finance, the Boston Herald, in a lead editorial, alleged that the administration had been providing the public with "phony numbers," and questioned, without any factual basis, the inescapable conclusion from the A&F data that a net reduction of nearly 5,000 Full Time Equivalent positions has taken place within

the Executive Branch workforce. As recently as April 2, 1990, the Boston Herald, in another lead editorial, challenged the Administration's claim that the state's payroll had been reduced by "several thousand jobs."

While the serious-minded accept the basic arithmetical facts, a much more significant story has yet to be told--namely, that the reduction of nearly 5,000 state workers at a time when demands for state services continue to grow has resulted in perilously low staffing levels in critical areas of public safety, human services, and other front-line service agencies. This report represents the first comprehensive examination of the impact of the recent wave of workforce reductions in the Commonwealth of Massachusetts.

(B) State To State Comparisons. One of the great myths about the Commonwealth's public sector workforce is that it compares unfavorably with the rest of the country.

FACT: Massachusetts has fewer state and local government employees per capita than the national average (rank=31)(Source: "Public Employment in 1988," supra; State Policy Data Book, State Policy Research, Inc., 1989)

FACT: Massachusetts is one of only four states in the nation where total government employment declined between 1980-1988 (Source: State Policy Data Book, supra);

FACT: While 13.5% of the nation's nonagricultural workforce is employed by state and local government, in Massachusetts only 11% of our nonagricultural workforce is so employed (Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Mass. Dept. of Employment and Training);

FACT: Between 1970 and 1987, government's share of total employment in Massachusetts declined (Source: "The Massachusetts Primer: Economics and Public Finance," Mass. Taxpayer's Foundation);

FACT: Massachusetts ranks 41st among the states in the percentage of personal income it spends on salaries of state and local employees (Source: U.S. Bureau of the Census, Government Finances in 1987-88, Jan. 1990).

It is also significant to note that according to a United States Commerce Department Report on State Government Employment dated March 29, 1990, Massachusetts was one of only 4 states in the nation to reduce its state workforce between 1988-1989 (the others were West Virginia, Louisiana, and New York). Furthermore, the 1990 Commerce Department Report indicates that Massachusetts ranks below industrial states with comparable population, viz., North Carolina, Georgia and Virginia, in terms of the total number of state government employees. Finally, United States Commerce Department Data indicates that from 1983-89, state government employment grew nationally by 11% while during the same period the growth in Massachusetts was approximately 5%.

(C) Summary Of Current Executive Branch Efforts. According to a recent Weekly Staffing Report prepared by the Executive Office of Administration and Finance and distributed to the House and Senate Committees On Ways and Means (date: 3/12/90), the Executive Branch has reduced the number of full time equivalent (FTE) positions by 5,613 during the past two years. During the same period, 872 FTEs have been added, 82% of which were in the critical need areas of Corrections, environmental cleanup, Mental Retardation, and Revenue. Thus, the net reduction of FTEs accomplished since July, 1988 is 4,741. These reductions do not include 954 seasonal employees and 2,000 summer youth jobs which also have been eliminated over the past two years, for a total reduction of nearly 8,000 positions.

In view of the decision not to close Rutland Heights Hospital, the Executive Office of Administration and Finance and the Executive Office of Human Services will revise the workforce management plan. However the goal remains to attain a net reduction of 5,000 FTEs among Executive Branch budgetary funded staff by the end of this fiscal year.

(D) Total State Workforce At A Glance. According to the most recent comprehensive, monthly staffing report prepared by the Executive Office of Administration and Finance and submitted to the House and Senate Committees On Ways and Means (date: March 30, 1990), there has been a net reduction of 5,053 FTEs from the total state budgetary funded workforce since July 1, 1988. The total number of employees in state government is 87,308, which includes 65,217 budgetary-funded full time equivalents (FTEs) in the Executive Branch, 1,033 in the legislature, 6,068 in the judiciary 2,882 among the constitutional and independent officers, 687 on capital funds (involved in transportation and construction projects), 6,947 on trust funds (99% of whom are employed in higher education), and 4,474 on federal grants. It is important to note that 849 of the Executive Branch budgetary funded FTEs are funded through industry assessments which offset the payroll costs to the general fund. [6] The change in the nonexecutive branch workforce since 1983 is as follows:

[6] The agencies include the Rate Setting Commission (142 FTEs), the Firefighting Academy (10 FTEs), the Merit Rating Board (65.6 FTEs), Civil Defense Nuclear Unit (9 FTEs), Public Utilities (78.4 FTEs), the Energy Facilities Siting Council (12 FTEs), the Division of Industrial Accidents (264 FTEs), the Division of Banks (142 FTEs), and the Division of Insurance (125.6 FTEs).

TABLE ONE
CHANGE IN NONEXECUTIVE BRANCH BUDGETARY FUNDED WORKFORCE 1983-1990

Department	3/83	7/88	2/90	83-90 % change	88-90 % change
Legislature	982	1077	1033	5.2	-4.1
Judiciary(all cts)	5592	6158	6068	8.5	-1.5
Att'y Gen'l	335	424	356	6.3	-16.0
Sec. of State	188	305	233	23.9	-23.6
Camp.& Pol. Fin.	10	11	10	0.0	-9.1
Auditor	275	376	341	24.0	-9.3
Lt Gov/Exec Coun.	13	22	17	30.8	-22.7
Treasurer	645	855	780	20.5	-8.8
Inspector Gen'l	30	32	27	-10.0	-15.6
Ethics Comm'n	28	27	23	-17.9	-17.4
Dist. Attorneys	768	1097	1094	42.5	-0.2
TOTALS	8866	10384	9982	12.6	-3.9

(E) Brief History of Workforce Reduction Efforts. On September 19, 1989, the Secretary of Administration and Finance announced plans by the Governor to reduce the budgetary-funded, Executive Branch workforce by 5,000 Full Time Equivalents over the two year period from July 1, 1988 to June 30, 1990. Workforce reduction targets were assigned to each cabinet office, the Governor's Office and some independent executive offices including Higher Education. On September 25, 1989, the Secretary submitted an initial report to the legislature which indicated that from July 1, 1988 to September 18, 1989, there had been a net reduction of 2,743 FTEs throughout state government, of which 2,700 occurred in executive agencies. The Secretary's report also noted that the workforce paid from the capital outlay budget had been reduced by 25% during the past fiscal year.

On October 2, 1989, the Secretary of Administration and Finance submitted another letter to the legislature containing a final report on FY'89 spending under the "03" account for contract services which indicated that this spending had declined by 29% from FY'88 levels, and that the target for FY'90 spending was to achieve a further reduction in "03" spending of 20%.

On October 23, 1989, the Secretary submitted his second workforce reduction report to the legislature in which he analyzed increases in the workforce which occurred between December, 1986 and December, 1988 (nearly 90% of which occurred in critical need areas such as Corrections/Parole, Environmental Protection, Mental Health/Mental Retardation, and Higher Education),[7] explained the variation between data in the State Retirement System, which includes persons who are not employees of the Commonwealth of Massachusetts and personnel data referred to above for the Commonwealth,[8] and provided a progress report

[7] The Secretary's Report corrects an erroneous Boston Globe article which reported that between 12/86 and 12/88, the state workforce had increased by more than 8,000. In fact, the actual increase was less than half of this, and 1,000 of that increase involved the conversion of "03" positions in accordance with a recommendation by the House Post-Audit Committee and at no net cost to the Commonwealth.

[8] The State Retirement Board data was mistakenly interpreted to suggest that the actual total number of state employees was higher than the count maintained by A&F. In a letter to Undersecretary of A&F Daniel Sullivan dated January 5, 1990, Assistant Treasurer Edward Killgoar explained the discrepancy and stated "The Retirement Board actuarial tape created in April, 1989 was based upon PERA's actuarial specifications. This tape should not serve as an employee count of State employees. The computer processing rules for personnel or for employee counts are different from our Retirement Board's active and retiree rules."

on workforce reductions which indicated that a net reduction of 2,866 FTEs had been achieved in the executive branch budgetary-funded workforce.[9]

A third report was submitted to the legislature on December 11, 1989 and the Secretary of A&F reported that a net reduction of 3,161 FTEs had taken place since July 1, 1988. Several days earlier the Secretary had reported on progress and noted that while Higher Education had made workforce reductions, it did not appear that they would meet their target. Accordingly, the Secretary announced plans to file legislation to give authority to the Board of Regents and the Chancellor of Higher Education to make decisions about workforce reductions which now are the

[9] The Secretary noted in this report that the average period of time state employees file for unemployment benefits following removal from the workforce is 19 weeks and the average weekly unemployment check is \$250.00. Thus, the Secretary of A&F pointed out a workforce reduction policy which maximizes attrition and minimizes the number of layoffs necessary to achieve the target will result in cost savings to the Commonwealth.

exclusive province of the trustees of the individual colleges and university. [10] It should be noted that the Governor's Office and every Cabinet secretary's office has met or in many cases exceeded by a substantial margin the workforce reduction targets assigned by the Secretary of A&F in September, 1989.

II. SUMMARY OF THE WORKFORCE CHANGES FROM 1983-90

TABLE TWO
EXEC. BRANCH REDUCTION OF BUDGETARY-FUNDED FTEs

DATE:	FTEs	% CHANGE FROM 1983	% CHANGE FROM 1988
3/12/90	65,217	+4.6%	-6.8%
7/01/88	69,958	+12.2%	Not Applicable
3/83	62,361 [11]	Not Applicable	Not Applicable

The next table contains a summary of Executive Branch workforce reductions among the twelve largest employers in state government which together account for 88% of total state government employment. The data contained in tables two and three includes members of collective bargaining units, classified managers, and all statutory appointments (e.g., cabinet secretaries, commissioners etc.).

[10] The legislation was filed by the Governor on January 18, 1990, H 1462. The bill was heard by the Joint Committee on Education on March 27, 1990.

[11] This is an unadjusted figure. Approximately 700 FTEs moved from the MDC's operating budget to the Mass. Water Resources Authority after 1983, while about 200 were transferred into Public Safety from the Military Division. Numerous other reorganizations and transfers of responsibility between departments and secretariats have occurred since 1983. For meaningful comparison with current levels, individual agency historical figures in this report are consistently adjusted to reflect these reorganizations. The net result of these adjustments is zero, i.e., they move staff only within the Executive Branch, with no impact on the bottom line.

TABLE THREE
CHANGES IN THE EXECUTIVE BRANCH WORKFORCE 1988-90
ANALYSIS OF TWELVE AGENCIES REPRESENTING 88% OF TOTAL WORKFORCE

Agency	7/1/88	3/12/90	% Change
Revenue	2,706	2,872	+ 6.1% [12]
MDC	1,473	1,309	-11.2%
Corrections	4,349	4,752	+ 9.3% [13]
Welfare	4,712	4,052	-14%
Public Health	4,251	3,677	-13.5%
Social Services	2,763	2,513	-9%
Mental Health	8,805	8,224	-6.6%
Mental Retard.	11,121	11,166	+ .4% [14]
Public Works	3,128	2,716	-13.2%
Public Safety	1,569	1,390	-11.4%
Registry M.V.	1,326	1,069	-19.4%
Higher Educ.	14,654	13,652	-6.8%
<u>TOTALS</u>	60,857	57,392	-5.7%
<u>ALL OTHER DEPTS:</u>	9,101	7,825	-14.1%
<u>GRAND TOTALS:</u>	69,958	65,217	-6.8%

[12] Personnel increases made it possible to expand the collection of delinquent revenues in FY'89 to a record high of \$526 million.

[13] Massachusetts has experienced dramatic increases in the state and county correctional systems over the past several years. Presently the state system is at 161% of capacity and the county system is at 141% of capacity. The total inmate population has been increasing at the rate of approximately 1,000 inmates per year.

[14] The increase in personnel at DMR is the result of a continuing federal court order.

An even more revealing insight into the state of the Commonwealth's public sector workforce is provided by an analysis of the 1983-1990 data from the same twelve agencies which appear in table three.

TABLE FOUR
 CHANGES IN THE EXECUTIVE BRANCH WORKFORCE 1983-90
 ANALYSIS OF TWELVE AGENCIES REPRESENTING 88% OF TOTAL WORKFORCE

Agency	3/83 [15]	3/12/90	% Change
Revenue	2,081	2,872	+38%
MDC	1,355	1,309	-3.5%
Corrections	3,234	4,752	+46.9%
Welfare	4,069	4,052	-0.4%
Public Health	4,131	3,677	-11.0%
Social Services	2,562	2,513	-1.9%
Mental Health	18,701 [16]	8,224	NA
Mental Retard.	NA	11,166	NA
Public Works	2,982	2,716	-8.9%
Public Safety	1,315	1,390	+5.7%
Registry M.V.	1,162	1,069	-8.0%
Higher Educ.	12,903	13,652	+5.8%

[15] The 3/83 data for individual departments has been adjusted to reflect reorganizations or transfers of responsibilities between secretariats or departments subsequent to 1983. For example, 357 FTEs for child support moved from Welfare to Revenue, 75 FTEs for Capitol Police moved from A&F to Public Safety, 678 FTEs moved from the MDC to the MWRA, 607 FTEs for Cushing Hospital moved from DMH to DPH, and 28 FTEs for energy moved from the Executive Office of Energy Resources to Consumer Affairs.

[16] In FY'83, Mental Health and Mental Retardation were one department. There were 8,124 FTEs funded from mental health accounts and 10,577 FTEs funded from mental retardation accounts in 1983.

III. IMPACT OF EXECUTIVE BRANCH WORKFORCE REDUCTIONS

A. PUBLIC SAFETY

Both the operating budget and the workforce within the Executive Office of Public Safety and its 15 agencies have been declining for the past two years. For example, in FY'89 Public Safety spending was \$136.9 million for the support of 3,405 FTEs, in FY'90 the spending is projected to be \$129.7 million for the support of a workforce which has declined from 3,110 at the beginning of FY'90 to approximately 2,886 FTEs (a 15% decrease in personnel). The House One proposed appropriation, when adjusted for the addition of the MDC police which come into Public Safety on July 1, 1990, is \$19 million below FY'90 spending. (Total FY'91 appropriation under House One is \$136 million and FY'90 spending for the MDC Police is \$25 million.)

Despite the fiscal reductions experienced by public safety agencies over the past several years, it is a tribute to the efforts of public safety personnel, state and local, that Massachusetts enjoys the distinction of having the safest highways in the nation and the lowest homicide rate of any industrialized state.

(1) Division of State Police.

According to the Commissioner of Public Safety, there were 689 state police officers assigned to state funded troops A-B-C-D in 1983. Today, that number has declined to 674. As of March 20, 1990, The Massachusetts State Police have 80 vacancies. It is projected that there will be 150 vacancies in the force by the end of the next fiscal year unless a new class is initiated. The impact of this reduction has become quite evident.

Data shows that there were fewer enforcement contacts by state police officers in February, 1990 than in February, 1989. Yet despite this reduction in personnel deployed on our roadways the productivity of the state police has increased dramatically as shown by the following chart:

TABLE FIVE
PRODUCTIVITY OF DIVISION OF STATE POLICE FY'83 TO FY'89[17]

<u>WORKLOAD</u>	<u>FY83</u>	<u>FY89</u>	<u>FY90 (EST.)</u>	<u>%CHANGE 83-90</u>
Arrests	16,638	25,931	25,100	+51%
OUI Arrests	3,598	5,201	4,800	+33%
Accident Invest.	8,274	12,582	13,500	+63%
MV Violations	320,408	408,558	440,500	+37%
Crim. Invest.	7,784	9,249	9,850	+27%
Motorists Aided	42,393	58,363	54,000	+27%

[17] In FY'83, the total number of state police officers was 1,071. This included 925 state funded officers and 145 funded by the Turnpike Authority and Massport. It is estimated that at the close of this fiscal year, the total number of state police officers will be 1,249. This would include 1,062 state operating budget-funded positions and 187 funded by the authorities. This projected number is nearly 100 below the FY'89 total of 1,339. As noted above, only approximately 674 officers are deployed to patrol the 2,850 miles of state highways. The remainder are assigned to specialized missions including violent fugitive apprehension, and drug and major crime investigations for the Attorney General, the District Attorneys, and state and federal authorities.

Current staffing levels require each road officer to patrol an average of 45 miles of limited access highway. In view of enforcement activities and calls for service, a motorist in need of assistance and otherwise unable to contact the police would have to wait approximately three hours and 15 minutes for help. Under House One, the no tax budget, it is estimated that there would be a further reduction of 400 police officers (from among the ranks of the State Police, the MDC Police, the Registry Police and the Capitol Police) in the next fiscal year.

(2) Division of Inspection.

The Division of Inspection, which by law is responsible for the safety of the public through the inspection of buildings and associated systems, licensing of craftsmen, and technical assistance to the public and local building departments, has been seriously affected by workforce reductions.

Over the past two years, the FTE count decreased from 77 to 64. Yet during this period, the workload has been increased. For example, the state took over the inspection of all elevators and escalators in the Commonwealth, which added 23,000 elevators/escalators to the inspection workload without the associated manpower. More recently, legislation

required the licensing of all sprinklerfitters and contractors. No staff were added to perform the examinations and clerical functions associated with issuing these 10,000 licenses.

(3) Criminal History Systems Board.

Another critically important public safety agency is the Criminal History Systems Board, a 24 hours a day, 7 days a week operation which manages the state's main law enforcement computer network (Criminal Justice Information System) and determines who shall have access to criminal records. The CHSB is presently at its lowest level of staffing in history (39 FTEs). Since 1983, there has been an overall reduction of 18% in personnel, with administrators suffering a 37.5% reduction compared to a reduction of 11% among line employees.

Productivity at the CHSB has steadily increased since 1983 despite the decline in personnel. For example, in FY'84 there were 285 law enforcement users on the CJIS computer network and about 51,000 daily transactions. Today there are 500 users on the network and more than 138,000 daily transactions. In addition, CHSB and the Registry of Motor Vehicles are testing a major new computerized link that will supply local police departments across the Commonwealth with instantaneous access to a much wider variety of motor vehicle data than has been possible in the

past. It also should be noted that in 1983, each manager at CHSB was responsible for approximately \$430,000, and in 1990 the responsibility of each manager has increased to \$630,000. Yet, during the same period, the CHSB budget declined by 9%. (The decline was 15% between FY'88 and FY'90).

(4) Registry of Motor Vehicles.

The impact of declining operating budgets is best illustrated by the Registry of Motor Vehicles which has 93 fewer employees in March, 1990 than it had in March, 1983. During this same period, the Registry has greatly increased the level of services it provides to the citizens of the Commonwealth as illustrated in Table Six:

TABLE SIX
INCREASED PRODUCTIVITY OF THE REGISTRY OF MOTOR VEHICLES 1983-89

<u>SERVICE</u>	<u>1983</u>	<u>1989</u>	<u>% CHANGE</u>
Customers Served	7.8 million	8.5 million	+9%
Revenue Collected	'0 million	668 million	+80%
Total Registrations	3.8 million	4.2 million	+9%
Total Licenses	3.76 million	4.25 million	+13%
Total Suspensions/Revocations of licenses	40,473	230,513	+469%
Excise tax bills	4.8 million	5.4 million	+13%
Excise tax Values	151.5 million	303.5 million	+100%
Citations entered by MRB into RMV computer	335,377	1.16 million	+247%
Accident Claims	323,205	913,561	+182%
MRB Inquiries	6.1 million	9.1 million	+48%
Certified Copies provided to Courts	15,600	78,000	+400%
Insurance Cancellations	350,000	725,000	+107%

Despite a significant decrease in the RMV operating budget over the past three years, the total revenue collected by the agency has increased from approximately \$545 million in FY'88 to approximately \$668 million in FY90, making the RMV the largest revenue collecting agency in state government apart from the Department of Revenue. This ratio of declining budgets to increasing revenue collection is illustrated by Table Seven:

TABLE SEVEN
REGISTRY OF MOTOR VEHICLES: BUDGET/REVENUE RATIO

YEAR	# of EMPLOYEES	BUDGET	REVENUE COLLECTED	BUDGET AS % TOTAL REV.	BUDGET AS % TOTAL FEES
FY83	1,162				
FY84	1,162				
FY85	1,160				
FY86	1,206				
FY87	1,194	40 million	546 million	7.34%	23.81%
FY88	1,283	45 million	545 million	8.35%	26.82%
FY89	1,326	43 million	577 million	7.62%	18.52%
FY90	1,069	41 million	668 million	6.20%	12.36%
FY91[18]	?	29 million	668 million	4.38%	8.72%

CHANGE: FY'83-90 = -8%
FY'88-90 = -16.7%

[18] Projected.

B. ENVIRONMENTAL PROTECTION

Despite a decline in the investment of state dollars for environmental purposes (FY'88=\$173 million; FY'89=\$162 million; FY'90=\$150 million dollars), there have been important accomplishments during the past year such as establishment of the Environmental Strike Force in conjunction with the Attorney General, the opening of the African Tropical Rain Forest Pavilion at the Franklin Park Zoo, passage of the Toxics Use Reduction Act, the Cape Cod Commission Act, the Hayes Water and Sewer Bond legislation and the escheatage legislation (for support of the bottle bill and solid waste disposal). EOEA has responded to the decline in state revenues by reducing overhead expenses as well as by reducing personnel. For example, during the past year, overtime costs have been reduced by 50%, vehicles have been reduced by 22%, public information services have been reduced by 66%, and an effort has been made to secure private sector funding for environmental services through the ENVest program.

Nevertheless, there has been a clear diminution in services. Due to budgetary constraints, the Clean Lakes and Right-To-Know programs have been eliminated; 30 DEM Parks and several MDC facilities have been closed; municipal water supply testing at the state lab has ceased; inspections of small quantity hazardous waste generators have stopped, and inspections of some air pollution sources have been curtailed. On the capital funding side, FY'90 spending will be only 50% of spending last year (\$185 million versus \$299 million), with the result that land acquisition efforts will be significantly reduced (\$80 million dollars down to \$25 million dollars), and there will be a continued deterioration of recreation facilities.

(1) Department of Environmental Management.

DEM is responsible for managing natural resources including the Commonwealth's land and its adjacent waters. The Department manages over 270,000 acres of state land divided among 187 parks. The Department manages the Commonwealth's water resources through programs in flood control planning, dam safety, water resources and river basin planning, and waterway maintenance. In addition, DEM operates 20 pools and 18 ice skating rinks.

As Table Eight below indicates, DEM has 80 fewer positions in March 1990 than it had in March, 1983, a net reduction of more than 11%. During this same period, DEM acquired more than 15,000 acres of land, opened Heritage Parks in Fall River, Gardner, Holyoke, Lawrence, Lynn and North Adams, and increased its role in long-range water planning, the safe disposal of hazardous waste, and the administration of more than 200 million dollars in capital outlay funds for land acquisition, park rehabilitation and other natural resource protection programs.

TABLE EIGHT
DEPT. OF ENVIRONMENTAL MANAGEMENT
WORKFORCE CHANGES FROM 1983-1990

<u>YEAR</u>	<u>FTEs</u>	<u>% CHANGE TO 1988</u>	<u>% CHANGE TO 1990</u>
3/1983	708	-3.1%	-11.4%
7/1988	686	NA	-8.6%
3/1990	627	NA	NA

(2) Metropolitan District Commission.

The Metropolitan District Commission provides a variety of services to the Metro-Boston area including protection of water supplies, maintenance of the flood-control system, and a wide range of recreational and preservation services. Currently, the MDC police are involved with the Executive Office of Public Safety in working out arrangements for the transfer of control of MDC police functions to the Department of Public Safety effective July 1, 1990. The MDC has experienced a significant reduction in staffing in recent years, even when account is taken of the changes brought about by the creation of the MWRA. This is illustrated by table nine:

TABLE NINE				
FISCAL YEAR	REGULAR FTEs	SEASONALS	TOTAL STAFF	BUDGET
1983	1,355	(not avail.)	-	-
1985	1,490	917	2,407	75 million
1986	1,352	1,005	2,357	69 million
1987	1,412	881	2,323	73 million
1988	1,473	1,042	2,504	82 million
1989	1,417	397	1,800	76 million
1990	1,309	356	1,518	74 million

REGULAR FTEs

CHANGE: FY'83 to FY'90 = - 3.4%
FY'85 to FY'90 = -12%
FY'88 to FY'90 = -11%

SEASONAL FTEs

CHANGE: FY'83 to FY'90 = not avail.
FY'85 to FY'90 = -61.2%
FY'88 to FY'90 = -65.8%

C. TRANSPORTATION AND CONSTRUCTION.

(1) Department of Public Works

The DPW is responsible for the maintenance, repair and roadside appearance of the Commonwealth's 12,000 lane-miles of roads and highways and 2,800 bridges. Currently, the DPW has 266 fewer FTEs than it employed in 1983, and 2,009 fewer FTEs than it had in 1971, a reduction of more than 42.5% of its budgetary funded staff since 1971!

The responsibility of the Department of Public Works includes both visible repair and construction work such as filling potholes, repainting traffic lines and guardrails, servicing lighting, resurfacing roadways, removing snow and ice etc. and less visible, but equally important jobs such as cleaning catch basins, washing away salt deposits from bridges, and debris removal.

The Department has a planned contracting program of \$400 million exclusive of the Central Artery/Third Harbor Tunnel project in Boston. The program consists of projects which are essential to maintaining the safety and mobility of the state's infrastructure, such as Route 143 in Hinsdale, Route 8A in Windsor/Savoy, and Colrain Road in Greenfield in Western Massachusetts. In central Mass., DPW is working on Route 20 in Marlborough, the Route 85 bridge over Route 9 in Southborough, and the Vernon street bridge over I290 in Worcester. In Boston, work continues on the Central Artery North Area (CANA) project and the design work necessary for the depression of the Central Artery and the Third Harbor Tunnel.

Workforce reductions at the DPW are illustrated below in table ten:

TABLE TEN
WORKFORCE REDUCTIONS AT THE DEPARTMENT OF PUBLIC WORKS

STAFF	1971	1975	1983	1990
Engineers	1,900	1,700	1,168	1,300
Labor	1,909	1,750	961	1,042
Adm/clerical	916	952	812	798
TOTAL BUDGET FTEs	4,725	4,402	2,941	2,716
Bond FTEs	0	0	0	410 [19]
GRAND TOTAL	4,725	4,402	2,941	3,126

[19] Represents current personnel working primarily on projects funded by capital funds. These include construction and/or maintenance projects supported by the sale of state bonds, e.g. CANA, bridge repair.

D. ADMINISTRATION AND FINANCE.

The Executive Office of Administration and Finance and its 22 agencies oversee the fiscal and managerial activities of the Executive Branch. As noted earlier, EOAF managed the largest net reduction in the workforce (-66%) since July, 1988 of any agency or department in state government.

(1) Department of Personnel Administration.

One of the principal functions of EOAF is human resource management. The Department of Personnel Administration conducts approximately 516 competitive examinations for 49,125 persons each year, reviews 3,829 classification requests by state workers, and offers 128 training courses which serve 2,878 employees. Since 1983, the Department of Personnel Administration has seen its staff size reduced by 44.3%, from 248 to 145. During that same period of time, the Department has expanded career development and training programs for state employees, implemented a Performance Evaluation System for managers, expanded the Massachusetts Employee Assistance Program, participated in a comparable worth and pay equity review of state positions, expanded the alternative work options, flexible hours and job sharing concepts, developed a Performance Recognition Awards Program, established, in conjunction with Harvard University, a fellowship to the Kennedy School of Government, significantly improved the time lines for issuing marks, establishing

eligible lists and issuing certified lists of names after civil service examinations, established a unit to aggressively seek out and place minorities within state government, developed a Master Service Agreement to standardize rates for temporary help, contributed to the development and issuance of a Managers Handbook, automated the civil service functions, conducted public safety seminars for state and local appointing authorities on a regular basis, made administrative and legislative recommendations for changes to the merit system, developed a Master Service Agreement with all vendors who wished to be hired to train state employees and conducted general and special classification and compensation surveys for managers and non-managerial employees whenever called upon to do so.

(2) Division of Capital Planning and Operations.

Another important function of EOAF is capital spending and facility management. DCPO manages 806 active projects worth more than \$1.4 billion dollars, negotiates 205 leases, and manages 587 real property agreements. Since July 1, 1988, the staff at DCPO has been reduced by 22% (280 FTEs to 219 FTEs).

E. HUMAN SERVICES

The 18 agencies within the Executive Office of Human Services serve a staggeringly huge number of residents of the Commonwealth each year. EOHS and its agencies employ approximately 60% of the state budgetary-funded workforce and expend approximately 40% of the regular operating budget.

There have been significant reductions in staff across the board in Human Services agencies with the exception of its criminal justice agencies (Correction & Parole), and the Department of Mental Retardation. In response to a 68% increase in the state correctional population since 1985 and a growth pattern of approximately 1,000 new inmates added to the system every year, the staff of the criminal justice agencies within Human Services has increased by 1,572 since 1983. Yet there has only been a net increase in personnel across the board in Human Services of 1,892 since FY'83. This has resulted in staffing levels in the following agencies at or below FY'83 levels: (1) The Department of Social Services (1.9% below FY'83); (2) The Department of Public Health (11% below FY'83), (3) The Department of Public Welfare (.4% below FY'83); (4) Veterans' Services (18.9% below FY'83), (5) the Mass. Commission for the Blind (4.2% below FY'83), (6) Chelsea Soldier's Home (19.6% below FY'83), and (7) Holyoke Soldier's Home (10.4% below FY'83).

Table eleven provides an overview of the workforce changes in Human Services. As table eleven indicates, the largest decrease in personnel

has occurred among administrators in the Executive Office which has been cut by 42% since July, 1988. This decrease in personnel across the spectrum of Human Services' agencies is even more significant when the personnel trend is compared to budget increases. Since FY'88, the total Human Services budget has increased by nearly 1 billion dollars while total personnel have decreased by approximately 2,000 (38,665 to 36,675). Thus, while client caseloads have increased and programs to serve those unable to care for themselves have expanded, the amount of dollars being managed by individual state managers has greatly increased and the service responsibilities of direct care personnel have risen.

COMPARISON OF HUMAN SERVICES STAFFING
MARCH, 1983 TO MARCH, 1990

SECRETARIAT	03/83 FY83 BASE**	7/01/88 FY89 BASE	3/12/90 FTE COUNT	Percent Change 3/83-3/90	Percent Change 7/88-3/90
=====	=====	=====	=====	=====	=====
HUMAN SERVICES	34783	38665	36675	5.4%	-5.1%
Executive Office	39	140	81	107.7%	-42.1%
Rate Setting Commission	71	170	142	100.0%	-16.5%
Commission for the Blind	95	118	91	-4.2%	-22.9%
Mass Rehabilitation Commission	12	69	58	314.3%	-15.9%
Comm for Deaf/Hard of Hearing	2	54	43	100.0%	-20.4%
Office for Children	214	326	275	28.5%	-15.6%
Veteran's Affairs	53	54	43	-18.9%	-20.4%
Chelsea Soldier's Home	550	537	442	-19.6%	-17.7%
Holyoke Soldier's Home	336	346	301	-10.4%	-13.0%
Youth Services	553	638	581	5.1%	-8.9%
Correction	3234	4349	4752	46.9%	9.3%
Parole	161	214	215	33.5%	0.5%
Public Welfare	4069	4712	4052	-0.4%	-14.0%
Public Health	4131	4251	3677	-11.0%	-13.5%
Medical Security	0	0	21	100.0%	100.0%
Social Services	2562	2763	2513	-1.9%	-9.0%
Mental Health	8124	8805	8224	1.2%	-6.6%
Mental Retardation	10577	11121	11166	5.6%	0.4%

* In FY83, DMH and DMR were one agency. The FTE count in each agency reflects those appropriation accounts dedicated to each function.

** The FY83 numbers have been adjusted to reflect reorganizations or transfers of responsibilities between agencies, departments or secretariats after FY83, to enable comparisons across fiscal years.

In the following pages, additional workload data is supplied for the following selected Human Services agencies: Department of Public Welfare, Department of Social Services, Department of Public Health, Office for Children, and the Department of Correction.

Department of Public Welfare: DPW's budget has increased from \$1.8 billion to \$3.4 billion from FY'83 to FY'90. Yet it has reduced its workforce by 661 FTEs since the beginning of FY'89. Its responsibilities have substantially increased: it introduced major new programs, including the nationally recognized Employment and Training program to ready AFDC mothers for jobs; the Health Choices program to enroll clients in cost-effective managed care; the Housing Search program which has found permanent homes for 13,000 people; and the Commonwealth program, the first chapter of the Universal Health Care law, which is extending health insurance to over 1,900 disabled clients and 5,000 former welfare clients. At the same time, the Department has increased Medicaid savings from \$32 million in FY'83 to a projected \$200 million in FY'90, increased federal revenues by 71%, from \$790 million in FY'84 to \$1.4 billion in FY'90, and has increased the number of state funded homeless shelters from 2 to 100.

Department of Social Services: DSS's caseload has dramatically increased, not only in terms of the number of reports of abuse or neglect, but also their complexity. In 1983, 36,258 children were reported as being the victims of abuse and neglect; this year, 83,000 children are projected to be reported. In many cases, drugs and violence are making families far more dangerous for the children and far more challenging for the social worker. State funded staffing has been reduced by 250 FTEs since July, 1988.

Department of Public Health: DPH has cut its staff dramatically, reducing the workforce by 573 FTEs since July, 1988, while facing sharply increased public health problems: in 1983, there were 49 reported cases of AIDS in Massachusetts, now there are 2,800, a 5614% increase. Substance abuse referrals for women have increased from 15,600 to 23,000. Syphilis has increased 83.7%. Demands for cocaine sample testing have gone from 2,000 to 12,000. The State Lab, despite cutbacks, has continued to do increased newborn screening as well as testing and analysis of drug samples, infectious diseases, toxic chemical exposures, etc.

Office for Children: OFC in FY'83 licensed 6,400 homes for day care with 20 staff and typically did so through review of documents in the office. Today, it licenses 11,477 homes with 24 staff, and it does so through on-site visits. There has been a total reduction of 16% of the entire OFC staff.

Department of Corrections: The prison population has skyrocketed from just over 5,400 in FY'83 to 8,730 today.

F. PRESS SECRETARIES

On January 4, 1990, Governor Dukakis issued a directive to reduce the number of press secretaries throughout the administration from 66 to 26.5. The directive permits the following distribution of press secretaries: Cabinet officers=10 (one per cabinet secretary); large state agencies=12 [20]; Governor's office=4.5.

Currently, there are 24.5 press secretaries throughout the administration. In the case of two cabinet officers (Consumer Affairs and Labor), there are no persons serving as a press secretary at this time. Of the 42 staff persons who formerly performed press duties, 32 are either already off the state payroll or will be off the payroll within 30 days. Another 10 persons who performed press duties only as a minor part of their job will no longer be performing any such duties.

IV. WORKFORCE REDUCTION IN THE JUDICIAL BRANCH.

The Massachusetts Trial Court comprises all judicial personnel in the Commonwealth (judges, clerks, court officers etc. for the Superior, Land, District, Municipal, Probate, Juvenile, and Housing Court Departments), including the Department of Probation, except for those judicial personnel comprising or affiliated with the Supreme Judicial Court and the Appeals Court.

[20] The agencies are: The Departments of Revenue, Corrections, Social Services, Mental Health, Public Welfare, Youth Services, Public Health, Environmental Protection, Environmental Management, Public Works, and the Metropolitan District Commission and the Registry of Motor Vehicles.

Between FY'85 and FY'89, the trial court's budget increased by approximately 30% from \$197 million to \$257 million. Since that time, the trial court has suffered a series of severe cuts in its budget. The current FY'90 budget for the Trial Court is approximately \$247 million, which is about \$10 million below the FY'89 budget. The target for the Trial Court under House One, the No Tax Budget, is approximately \$224 million, a further cut of 9% below the current level.

During the past seven years, the caseload of the various departments which together comprise the Massachusetts Trial Court has increased by about 15% from approximately 1.3 million cases to 1.5 million cases.

About 80% of the Trial Court's budget is allocated for personnel costs. According to data submitted by Chief Administrative Justice Arthur Mason to the House Committee on Ways and Means on March 5, 1990, the total number of positions in the Trial Court at the close of this fiscal year is projected to be 5,625, an increase of a mere 33 positions or 0.6% over the level in 1983 [21]. If an adjustment is made for the 180-200 FTEs which the state judiciary assumed as a result of the takeover of county facilities, the Trial Court would be below its FY'83 level.

[21] And, of this increase, 28% or 41 positions represented new judges, which still leaves Massachusetts with the distinction of ranking near the bottom among the fifty states in terms of the number of judges per capita.

The Comprehensive Report submitted to the House Committee On Ways and Means by Chief Justice Mason describes the specific impacts created by these budget reductions in great detail. Perhaps the most alarming aspect of the report is the prediction that despite rising caseloads and existing shortages of personnel in a number of critical areas, the No Tax Budget will require the elimination of another 1,015 positions during the next fiscal year creating a system wide vacancy rate of 22%.

V. OUTLOOK FOR THE NEXT FISCAL YEAR

According to the projections contained in House One, A no tax budget will require a further reduction of approximately 2,500 FTEs during FY'91. Approximately 1,100 of this additional reduction would be allocated among Executive Branch agencies as shown on Table Twelve. One particularly severe result of a no tax budget would be in the inability to keep pace with our rapidly expanding prison population. The no tax budget will require the closing of 699 currently operating modular and pre-release beds, as well as foregoing opening 1639 new beds ready in FY'91. This loss in capacity would come at the same time that an expected 10% population growth would increase the daily census by approximately 1000 inmates by the end of FY'91, assuming present law enforcement, sentencing, and parole trends continue.

Housing these additional inmates in existing, higher security

DOC facilities would make it difficult for DOC to assure continued safe operations. DOC facilities will operate at 187% of capacity, resulting in double-bunking in nearly every cell. In addition, DOC will be forced to expand the temporary housing of offenders in inappropriate and difficult to supervise areas such as laundry rooms, maintenance shops, and classrooms that lack adequate sanitary facilities and recreational areas.

The no tax budget does not provide sufficient funds to supervise, feed, clothe, and maintain facilities for these inmates. Operating at 187% of capacity also creates massive problems in physically meeting offender's basic needs. Kitchens, laundries, medical areas, recreation space, classrooms and utilities are constructed to serve facilities operating at or near design capacity. While some amount of prison crowding can be accommodated through careful scheduling, it raises conflicts and tensions and results in increased inmate idleness. More importantly, major disturbances in other states have occurred when crowding has limited access to visiting areas, medical services, recreation and other institutional operations.

While state assistance to county corrections is not funded entirely through DOC's accounts, DOC serves to coordinate state and county corrections policy and capacity. Therefore, the \$92.5 million no tax budget for county corrections is \$13.2 million less than current service funding. Under a no tax budget, the local aid payment in lieu of the

jail assessment will be \$80.5 million in an A&F reserve account, or \$2 million below the current services estimate. The no tax budget for prisoner transportation funded in an A&F reserve is \$4.8 million, or \$818,000 below the current services estimate. Grants to sheriffs for alternatives to incarceration and capacity expansion administered by EOHS total \$7.3 million in the no tax budget, down from \$7.8 million in the current estimate. Finally the county corrections modular housing program administered by DOC is eliminated in the no tax budget. Counties will have to use other resources to continue operation of these correctional facilities and programs currently supported by state funds. It's significant to note that in 1983 there were no state dollars made available for the support of county corrections. In FY'90, there is approximately \$80 million in state funds dedicated to county corrections.

Staffing Summary, 1988-1991

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TABLE TWELVE

Full-Time Equivalent (FTE) State Staff	June 1988	FY91 No-Tax Budget	Change, June 1988 to FY91 Budget
Legislature	1,077	841	(236)
Inspector General	32	27	(5)
Campaign & Political Finance	11	10	(1)
Judiciary	6,158	5,053	(1,105)
District Attorneys	1,097	1,013	(84)
Lieutenant Governor & Executive Council	22	18	(4)
Secretary of the Commonwealth	306	234	(72)
Treasurer & Receiver General	852	785	(67)
State Auditor	376	303	(73)
Attorney General	424	383	(41)
State Ethics Commission	27	22	(5)
Subtotal, Non-Executive	10,382	8,689	(1,693)
Governor's Office	105	82	(23)
State Comptroller	118	95	(23)
Executive Departments:			
Administration & Finance	4,434	4,029	(405)
Environmental Affairs	3,319	2,336	(983)
Communities & Development	182	130	(52)
Human Services	38,665	37,012	(1,653)
Transportation & Construction	3,146	2,640	(506)
Board of Library Commissioners	19	15	(4)
Education	468	393	(75)
Board of Regents	14,654	13,087	(1,567)
Public Safety	3,405	2,942	(463)
Economic Affairs	97	75	(22)
Elder Affairs	60	47	(13)
Consumer Affairs	755	762	7
Energy Resources	60		(66)
Labor	464	492	28
Subtotal, Executive Branch	69,958	64,137	(5,821)
Total	80,340	72,826	(7,514)

Notes: Counts represent full-time equivalent (FTE) filled regular and excess quota positions on payroll in state budgetary accounts, including direct appropriations and retained revenues. Counts for most non-Executive departments and for the Board of Regents are approximations. Counts do not include board and commission members or seasonal help, staff in bonded capital, expendable trust or federal grant accounts, or staff for independent authorities.

The count for the Legislature represents staff only, and does not include the 200 members.
The count for the Lieutenant Governor & Executive Council does not include the 8 Council members.

VI. CONCLUSION

The purpose of this report is to change the terms of the debate about the Commonwealth's workforce. Contrary to the mythology which suggests that there has been an explosion in the growth of the state's workforce, the fact is that during the economic boom years of the eighties, the Commonwealth's Executive Branch workforce grew at less than half the national average rate of growth. Moreover, today that same workforce is declining in size more rapidly than the workforce of any other state in the nation with the exception of West Virginia and Louisiana. Finally, there has already been a net reduction of more than 5,000 state workers from the budgetary funded payrolls, and the Executive Branch has achieved a net reduction of nearly 8,000 jobs since July 1, 1988.

The time has come to move beyond numerological incantations. The important question is not whether the net reduction in the Executive Branch workforce has reached 5,000 or whether it is 4,800 or 4,900. The important question is whether the Commonwealth will continue to provide essential services and keep pace with the demand for assistance by those among us unable to obtain relief from any source other than their government. Clearly the federal government has retreated from its previous role as a partner with state government in helping to finance a broad range of services. It is estimated that Massachusetts has lost nearly a billion dollars in federal aid during the eighties. As a result of this reduction in federal dollars and Proposition 2 1/2, our cities and towns have come to depend upon greater and greater contributions from state government to assist them in meeting needs at the local level.

After budget cuts this year alone of more than \$600 million, it is not possible to make additional cuts and spending reductions sufficient to erase this year's and next year's revenue fall off and, at the same time, maintain anything resembling the current level of essential services in this state. I hope this report will enable people to discover that we cannot continue on the present course of workforce reductions without closing the doors to a wide range of basic state services which will adversely affect not only the poor, but all the people of the Commonwealth.

PETER W. AGNES, JR.
CHIEF OF OPERATIONS
GOVERNOR'S OFFICE

